



## Financial Policies – Unclaimed Check

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The purpose of the unclaimed check policy is to provide the proper mechanism to take possession of long standing unclaimed checks in accordance with government statutes (**Exhibit V**) and to ensure the propriety of the related accounting transactions.

### A. Summary of State Law

Money that is not the property of the City of South Lake Tahoe that remains unclaimed for a period of more than three (3) years becomes the property of the City not less than forty-five days nor more than sixty days after an initial public notice is published. (Government Code Secs. 50050 and 50051)

B. At any time after the expiration of the three (3) year period, the Treasurer of the City of South Lake Tahoe will cause a notice to be published once a week for two successive weeks in a newspaper of general circulation published in the City of South Lake Tahoe. (Gov. Code Secs. 50050 and 50051)

C. The notice shall include the following information:

1. The individual or business name as shown on the issued check.
2. The check date, number and the amount of money on the issued check.
3. A statement announcing that the money shall become the property of the City of South Lake Tahoe on a date that is not less than forty-five (45) days after the first publication of the notice. **See Exhibit I.** (Gov. Code Sec. 50051)

D. A proof of publication from the newspaper is to be retained in accordance with the City's records retention policy as proof that the City published the required notice for two consecutive weeks.

E. Upon or prior to publication, a party of interest may file a claim which must include the following information:

1. The claimant's name, address and telephone number.
2. Social Security Number or Federal Employer Identification Number.
3. Proof of identify such as a copy of a driver license, social security card or birth certificate.
4. The amount of the claim.
5. The grounds on which the claim is founded. **See Exhibit II.** (Gov. Code Sec. 50052)

- F. The Treasurer may release to the depositor of the unclaimed money, their heir, beneficiary, or duly appointed representative, unclaimed money if claimed prior to the date the money becomes the property of the City upon submitting proof satisfactory to the Treasurer. (Gov. Code Sec. 50052.5)
- G. When the unclaimed funds become the property of the City of South Lake Tahoe and are in a Special fund, the City Council may transfer them by resolution to the General Fund. (Gov. Code Sec. 50053)
- H. Any individual check of less than fifteen dollars (\$15), or any amount if the depositor's name is unknown, which remain unclaimed for a period of one (1) year may be transferred from the funds which the money was originally drawn from by the City Council to the General Fund without the necessity of publication of a notice in a newspaper. (Gov. Code Sec. 50055)
- I. The responsibilities of the Treasurer may be delegated by the Treasurer to the department that maintains the supporting records of the uncleared checks based on the initial receipt or deposit of that money or both. (Gov. Code Sec. 50056)
- J. Disbursement and Funds Transfer
  - 1. Except as otherwise provided in this procedure, the Finance Department (Department) may release to the claimant of an unclaimed check, or its heir, beneficiary, or duly appointed representative, the amount of an unclaimed check if:
    - i. Claim is filed prior to the date the money becomes the property of the City of South Lake Tahoe.
    - ii. Proof substantiating the claim is conveyed in writing, including all items detailed in the item "E" of this policy.
    - iii. After proper documentation is secured, payment request is prepared to release money based upon approved Claim Form.
  - 2. Upon rejection of said depositor's claim by the Department (**Exhibit III**), the depositor may file a verified complaint seeking to recover all, or a designated part, of the money in a court within El Dorado County. The Department shall be served with a copy of the complaint and summons which must be served within thirty (30) days of receiving notice that the claim was rejected. The Department shall withhold the release of the portion of unclaimed money for which a court action has been filed until a decision is rendered by the court.
  - 3. Upon close of business on the forty-fifth (45) day after publication of the first notice, the unclaimed check amounts revert to the City of South Lake Tahoe. When the unclaimed checks become the property of the City of South Lake Tahoe and are in a special fund, the City Council may transfer them to the General Fund. **See Exhibit IV.**

4. Unclaimed checks of less than fifteen dollars (\$15) that are more than twelve (12) months old will be transferred to the General Fund by the City Council without publication of a notice in a newspaper. **See Exhibit IV.**

#### K. Accounting Transactions

1. If an unclaimed check is claimed prior to the date designated in the Public Notice, the Financial Services Manager will verify the claimant's supporting information and obtain an approval to stop payment of the claimed check for checks over \$1,000. If the claimant satisfies all conditions required under this procedure, the City will void the old check and issue a new check for the claimed amount to the claimant.
2. Upon the close of business on the forty-fifth day after the initial notice is published, the remaining unclaimed checks with face amounts of fifteen dollars (\$15) or more will revert to the City. The amounts of such checks will be transferred to a miscellaneous General Fund revenue account upon City Council approval. (**Exhibit IV**)
  - i. Accounts payable checks will be voided, changing the account number from original to non-departmental Unclaimed Funds revenue account 100-01951-36212. This way the transaction will Debit Cash and Credit the above revenue account without changing the original Expense or Revenue account.
  - ii. Payroll checks will be canceled in the accounting system to remove them from the outstanding checks list. In addition, a journal entry will be prepared to Debit the original expense account and Credit the Unclaimed Funds revenue account 100-01951-36212.
  - iii. The records of voided checks must be retained by the Financial Services Division in accordance with the City's records retention policy.
3. All outstanding checks of less than fifteen dollars (\$15) from Accounts Payable and Payroll will be checked to determine those checks that have issue dates over twelve (12) months. These amounts will then be set into a resolution for the City Council to approve, transferring these amounts to the General Fund miscellaneous revenue account. Follow steps i,ii, and iii above.

#### L. Policy Review

This policy shall be reviewed at least biannually.

Attachments:

Exhibit I - Sample of Public Notice

Exhibit II - Sample of Unclaimed Money – Claim Form

Exhibit III - Sample of Money Claim Rejection Form

Exhibit IV – Resolution to transfer unclaimed check funds to the General Fund

Exhibit V – California Government Code Section 50050-50057

Exhibit I – Sample of Public Notice

**PUBLIC NOTICE**

NOTICE IS HEREBY GIVEN THAT, the Administrative Services Department of the City of South Lake Tahoe, County of El Dorado, State of California, declares that the following monetary sums have been held by the City of South Lake Tahoe and have remained unclaimed in the funds hereafter indicated for a period of over three (3) years and will become the property of the City of South Lake Tahoe on the xx th day of the Month, Year, a date not less than forty-five (45) days after the first publication of this Notice.

Any party of interest may, prior to the date designated herein above, file a claim with the City's Financial Services Division which includes the claimant's name, address and telephone number, Social Security Number or Federal Employer Identification Number, amount of claim, the grounds on which the claim is founded. The Unclaimed Money Claim Form can be obtained from the City's Administrative office at 1901 Airport Rd, South Lake Tahoe, CA 96150, or from the City's website at [www.cityofslt.us/Unclaimed](http://www.cityofslt.us/Unclaimed). Proof of identify such as a copy of a driver license, social security card or birth certificate must be provided before funds will be released. With any questions, please contact the City of South Lake Tahoe, Financial Services Division at (530)542-7402 or (530)542-6013.

This notice and its contents are in accordance with California Government Code Sections 50050-50056.

Name  
Title

Check Date      Check Number      Payee Name      Check Amount      Fund Held In

Exhibit II – Sample of Unclaimed Money – Claim Form



**CITY OF SOUTH LAKE TAHOE  
UNCLAIMED MONEY – CLAIM FORM**

Return completed form to:  
*City of South Lake Tahoe  
Administrative Services Department  
Financial Services Division  
1901 Airport Road, Suite 210  
South Lake Tahoe, CA 96150*

Pursuant to California Government Code Section 50052, I wish to file a claim for a previously unclaimed check in the amount of \$ \_\_\_\_\_ that was published in the Tahoe Daily Tribune on \_\_\_\_\_. The grounds on which I file this claim are: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Vendor or Individual Name (Printed)

\_\_\_\_\_  
Taxpayer I.D. or Social Security No.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City/State/Zip Code

**FOR INTERNAL USE ONLY**

Proof of Identity Verified (check one):

***Driver License***

***Social Security Card***

***Passport/Birth Certificate***

Verified By: \_\_\_\_\_ Date: \_\_\_\_\_

Claim: Approved\_\_\_\_ Rejected\_\_\_\_ Reason for Rejection: \_\_\_\_\_

Reviewed By: \_\_\_\_\_ Date: \_\_\_\_\_

Exhibit III – Sample of Money Claim Rejection Form



**CITY OF SOUTH LAKE TAHOE  
MONEY CLAIM REJECTION FORM**

The City of South Lake Tahoe has rejected the unclaimed property claim of:

**Vendor or Individual Name:** \_\_\_\_\_

**Taxpayer I.D. or Social Security Number:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**City/State/Zip Code:** \_\_\_\_\_

**Original Check Date:** \_\_\_\_\_

**Original Check Amount:** \_\_\_\_\_

**The grounds on which this claim has been rejected are:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Under California Government Code Section 50052, you have the right to file a verified complaint seeking to recover all, or a designated part, of the money in a court of competent jurisdiction within El Dorado County. A copy of the complaint and the summons issued thereon must be served within thirty (30) days of receiving this notice of rejection. Upon being served, the Finance Director will withhold the disputed amount from being released until a decision is rendered by the court.

Name  
Title

CITY OF SOUTH LAKE TAHOE

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION AUTHORIZING THE TRANSFER OF UNCLAIMED CHECK FUNDS FROM THEIR RESPECTIVE FUND(S) TO THE GENERAL FUND PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTIONS 50053 AND 50055**

WHEREAS, the checks in Section 1 of the attached list have been outstanding and unclaimed for more than three years; and

WHEREAS, the City has provided public notice as required in California Government Code Sections 50050 and 50051 and the City’s Unclaimed Check Policy; and

WHEREAS, the checks in Section 2 of the attached list are less than fifteen dollars each, and have been outstanding and unclaimed for a period of one year,

NOW THEREFORE, BE IT RESOLVED, that in accordance with California Government Code Section 50053 and Section 50055, the unclaimed checks on the attached list in the total amount of \$XX.XX shall be transferred from their respective funds(s) to the General Fund’s non-departmental revenue account.

PASSED AND ADOPTED by the City Council of the City of South Lake Tahoe at a meeting on \_\_\_\_\_ by the following vote:

AYES:  
Councilmembers \_\_\_\_\_

NOES:  
Councilmembers \_\_\_\_\_

ABSTAIN:  
Councilmembers \_\_\_\_\_

ABSENT:  
Councilmembers \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Susan Alessi, City Clerk

\_\_\_\_\_  
(Type Name), Mayor



Exhibit V – California Government Code Section 50050-50057

**GOVERNMENT CODE  
SECTION 50050-50057**

50050. For purposes of this article, "local agency" includes all districts. Except as otherwise provided by law, money, excluding restitution to victims, that is not the property of a local agency that remains unclaimed in its treasury or in the official custody of its officers for three years is the property of the local agency after notice if not claimed or if no verified complaint is filed and served. At any time after the expiration of the three-year period, the treasurer of the local agency may cause a notice to be published once a week for two successive weeks in a newspaper of general circulation published in the local agency. At the expiration of the three-year period, money representing restitution collected on behalf of victims shall be deposited into the Restitution Fund or used by the local agency for purposes of victim services. If a local agency elects to use the money for purposes of victim services, the local agency shall first document that it has made a reasonable effort to locate and notify the victim to whom the restitution is owed. The local agency may utilize fees collected pursuant to subdivision (l) of Section 1203.1 or subdivision (f) of Section 2085.5 of the Penal Code to offset the reasonable cost of locating and notifying the victim to whom restitution is owed. With respect to moneys deposited with the county treasurer pursuant to Section 7663 of the Probate Code, this three-year period to claim money held by a local agency is extended for an infant or person of unsound mind until one year from the date his or her disability ceases.

For purposes of this section, "infant" and "person of unsound mind" have the same meaning as given to those terms as used in Section 1441 of the Code of Civil Procedure.

50051. The notice shall state the amount of money, the fund in which it is held, and that it is proposed that the money will become the property of the local agency on a designated date not less than forty-five days nor more than sixty days after the first publication of the notice.

50052. Upon or prior to publication, a party of interest may file a claim with the treasurer which must include the claimant's name, address, amount of claim, the grounds on which the claim is founded, and any other information that may be required by the treasurer. The claim shall be filed before the date the unclaimed money becomes the property of the local agency as provided under Section 50051 and the treasurer shall accept or reject that claim. If the claim is rejected by the treasurer, the party who submitted the claim may file a verified complaint seeking to recover all, or a designated part, of the money in a court of competent jurisdiction within the county in which the notice is published, and serves a copy of the complaint and the summons issued thereon upon the treasurer. The copy of the

complaint and summons shall be served within 30 days of receiving notice that the claim was rejected. The treasurer shall withhold the release of the portion of unclaimed money for which a court action has been filed as provided in this section until a decision is rendered by the court.

50052.5. (a) Notwithstanding Section 50052, the treasurer may release to the depositor of the unclaimed money, their heir, beneficiary, or duly appointed representative, unclaimed money if claimed prior to the date the money becomes the property of the local agency upon submitting proof satisfactory to the treasurer, unless the unclaimed money is deposited pursuant to Section 7663 of the Probate Code.

(b) Notwithstanding Section 50052, the treasurer may release unclaimed money deposited with the county treasurer pursuant to Section 7663 of the Probate Code, to any adult blood relative of either the decedent or the decedent's predeceased spouse.

(c) Notwithstanding Section 50052, the treasurer may release unclaimed money deposited with the county treasurer pursuant to Section 7663 of the Probate Code to the parent who has legal and physical custody of a minor who is a blood relative of either the decedent or the decedent's predeceased spouse without the need to appoint a legal guardian for the minor as follows:

(1) If the value of the unclaimed money deposited with the county treasurer is five thousand dollars (\$5,000) or less, the treasurer may release the money according to Section 3401 of the Probate Code.

(2) If the value of the unclaimed money deposited with the county treasurer is sixty thousand dollars (\$60,000) or less, and the money is not released under paragraph (1), the unclaimed money may be released by the treasurer to the parent who shall, after payment of any costs incurred in making the claim, hold the money in trust, to be used only for the care, maintenance, and education of the minor, and the parent shall be liable therefor to the minor under the fiduciary laws of this state. The money held in trust shall be released to the minor when the minor reaches the age of majority.

(d) The claim shall be presented to the county treasurer in affidavit form and signed under penalty of perjury. Notwithstanding Section 13101 of the Probate Code, the claimant, to be entitled to the entire escheated estate, needs only to establish with documentary proof the existence of a blood relationship to either the decedent or of the predeceased spouse, if any, and the documentary proof, if regular on its face, need not be certified. Notwithstanding Section 13101 of the Probate Code, the claimant shall not be required to declare that no other person has an equal or superior claim to the escheated estate.

The county treasurer may rely in good faith on the sworn statements made in the claim and shall have no duty to inquire into the truth or credibility of evidence submitted.

In paying out the escheated estate, the county treasurer shall be held harmless to all. Payment shall act as total acquittance and shall completely discharge the county treasurer from any liability.

If the county treasurer rejects any claim made hereunder, the claimant may take his or her grievance to the Superior Court of the county holding the escheated estate.

Any claim paid hereunder shall be paid without interest.

50053. When any such money becomes the property of a local agency and is in a special fund, the legislative body may transfer it to the general fund.

50054. Whenever any city or county or city and county renders construction services or constructs public works for any city, county, city and county or any other governmental agency below the level of the state government, the price charged for such services or construction shall be sufficient to reimburse the governmental body performing such services for the full cost thereof including labor, material, equipment costs or rentals and a reasonable allowance for overhead. In computing overhead, without limitation on other factors properly includable, there shall be allocated to the overhead cost its proportionate share of indirect labor and administrative costs.

50055. Any other provision of this article notwithstanding, any individual items of less than fifteen dollars (\$15), or any amount if the depositor's name is unknown, which remain unclaimed in the treasury or in the official custody of an officer of a local agency for the period of one year or upon an order of the court may be transferred to the general fund by the legislative body without the necessity of publication of a notice in a newspaper.

50056. The responsibilities of the treasurer as provided under this article may be delegated by the treasurer to the agency, district, or department that maintains the supporting records of the unclaimed money based on the initial receipt or deposit of that money or both.

50057. For individual items in the amount of five thousand dollars (\$5,000) or less, the legislative body of any county may, by resolution, authorize the county treasurer to perform on its behalf any act required or authorized to be performed by it under Sections 50050, 50053, and 50055. The resolution shall require that the county auditor be informed of each act performed under the authorization.